

Diesel and Alternative Fuels Tax

The Special Fuels Tax Act was repealed by the ninety-third Legislature with the passage of LB 1160 and was replaced with the Diesel Fuel Tax Act and the Alternative Fuel Tax Act. This legislation became effective on July 1, 1994.

Diesel fuel includes all combustible liquids suitable for use in diesel-powered motor vehicles. It does not include kerosene. Undyed diesel fuel is subject to tax when it is imported into the state. A taxable import occurs when: (1) the fuel is withdrawn from a Nebraska pipeline terminal facility; or (2) the fuel is imported into Nebraska

via truck or rail. Diesel fuel stored at a Nebraska pipeline terminal facility is not subject to the tax.

Undyed diesel fuel is taxed in the same manner as gasoline, upon receipt of the fuel as opposed to on the sale of the fuel.

Alternative fuel is defined as propane, compressed natural gas, liquefied petroleum gas, liquefied natural gas, electricity, and any other source of energy used to power a motor vehicle, except motor vehicle fuels and diesel fuel.

Table 20 — Diesel Fuel Net Taxable Gallons and Net Tax Due

MONTH	2003 TAXABLE GALLONS	2002 TAXABLE GALLONS	PERCENT INCREASE OR (DECREASE)	2003 TAX DUE	2002 TAX DUE	PERCENT INCREASE OR (DECREASE)
January	27,450,401	26,154,899	4.95%	\$6,704,432	\$6,377,393	5.13%
February	24,455,015	25,311,611	-3.38	5,971,930	6,171,661	-3.24
March	27,565,922	29,597,420	-6.86	6,734,086	7,213,771	-6.65
April	28,497,937	30,324,328	-6.02	6,960,473	7,395,168	-5.88
May	28,250,923	31,266,206	-9.64	6,900,110	7,625,386	-9.51
June	30,125,280	31,303,314	-3.76	7,360,088	7,635,220	-3.60
July	30,566,668	31,473,575	-2.88	7,466,472	7,656,466	-2.48
August	29,438,598	32,146,525	-8.42	7,191,017	7,820,831	-8.05
September	32,379,625	32,115,024	0.82	7,911,521	7,814,036	1.25
October	33,731,289	34,171,710	-1.29	8,240,242	8,313,517	-0.88
November	28,383,352	29,709,113	-4.46	6,932,133	7,226,658	-4.08
December	29,049,710	\$27,331,178	6.29	7,097,480	6,649,154	6.74
Total	349,894,720	\$360,904,903	-3.05%	\$85,469,984	\$87,899,261	-2.76%

Aircraft Fuels Tax

Aircraft fuels tax is imposed upon the importing, producing, refining, manufacturing, compounding, or blending of aircraft fuels in Nebraska for use, distribution, sale or delivery in this state. Aircraft fuels include aircraft gasoline, jet fuel, or any other fuel used exclusively for propelling aircraft.

The tax rate for aviation gasoline is five cents per gallon and the tax rate for aviation jet fuel is three cents per gallon. Revenue from the aircraft fuels tax is credited to the Department of Aeronautics Cash Fund.

Table 21 — Aircraft Fuel Net Taxable Gallons and Net Tax Due

MONTH	2003 TAXABLE GALLONS	2002 TAXABLE GALLONS	PERCENT INCREASE OR (DECREASE)	2003 TAX DUE	2002 TAX DUE	PERCENT INCREASE OR (DECREASE)
January	3,890,892	3,951,194	-1.53%	\$114,798	\$116,397	-1.37%
February	3,722,217	3,645,464	2.11	110,549	108,350	2.03
March	4,234,966	4,249,884	-0.35	124,754	127,545	-2.19
April	3,954,087	4,139,597	-4.48	117,549	125,676	-6.47
May	4,343,399	4,234,330	2.58	130,244	127,472	2.17
June	4,282,394	4,346,219	-1.47	129,380	133,337	-2.97
July	4,692,374	4,971,491	-5.61	143,464	153,770	-6.70
August	4,868,806	4,507,714	8.01	147,544	137,555	7.26
September	4,072,400	3,770,060	8.02	121,405	113,664	6.81
October	4,348,159	4,056,152	7.20	129,387	120,309	7.55
November	3,791,920	3,599,019	5.36	113,409	106,729	6.26
December	4,071,573	3,979,804	2.31	120,355	118,112	1.90
Total	50,273,187	49,450,928	1.66%	\$1,502,838	\$1,488,916	0.94%